Discount from refineries on LPG and kerosene

810. SHRI VEDPRAKASH P. GOYAL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that Government have decided to seek discounts from refineries on subsidized petroleum products like LPG and kerosene;

(b) if so, how much revenue Government would generate from these petroleum products (LPG and kerosene);

(c) what further steps are taken by Government to minimize the revenue loss; and

(d) the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF PETROLEUM AND NATURAL GAS (SHRI DINSHA J. PATEL) : (a) Government is encouraging PSU Oil Marketing Companies (OMCs) to move towards a system in which they are able to pass on a part of the burden of under-recoveries on PDS kerosene and domestic LPG to the refineries including private sector through commercial agreements.

(b) Excise duty and customs duty on PDS kerosene and domestic LPG has been reduced to NIL *w.e.f* 1.3.2005. As such there is no revenue generation to Central Government from these products. OMCs are incurring under-recoveries on the sale of these products and the discounts from refineries would partially reduce the under-recoveries.

(c) and (d) Do not arise in view of (b) above.

Allotment of kerosene to Kerala

811. SHRI K.E. ISMAIL: Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether it is a fact that allotment of kerosene to Kerala for the distribution through PDS for various purposes, has been continuously reduced since 2000-01;

(b) if so, the details thereof and the reasons therefor;

(c) whether Government would consider its decision in view of the representation made by the State Government of Kerala of the restoration of allotment of kerosene to Kerala to the level of 25775 MT, as alloted in 2000-01; and

(d) if not, the reasons therefor?